



POLICY AND PROCEDURE ON EXTERNAL AND CONSULTANCY WORK UNDERTAKEN BY STAFF

INTRODUCTION

Academic staff, because of their skills and expertise, may receive requests from external bodies to carry out work for which a payment may or may not be given. Technical staff, such as laboratory technicians, are also often engaged to assist the academic staff in such work.

The University, in principle, recognises and supports these endeavours as a means to advance and disseminate knowledge in society. This is as provided under Section 7, subsection (3)(d) of the Institut Teknologi Brunei Act (2010), which allows the University to 'provide technical and consultancy services to business and industry as it considers desirable'.

For the purpose of this Policy, **Consultancy Work** is a professional service or work carried out by a member of staff for an external organisation, which is part of a contract or agreement between the University and the external organisation. Meanwhile, **External Work** is a professional service or work carried out by a member of staff for an external organisation that includes duties in which most academic staff in Universities would normally expected to be involved.

It is important, however, that staff understand to what extent they are permitted to carry out such work and how they should obtain permission for External and Consultancy Work. This document intends to provide the University's view on what kind of External and Consultancy Work would be seen as acceptable and the procedures on obtaining permission to undertake such work.

It is important to understand that the general principle governing the granting of permission for External and Consultancy Work needs to take into account two underlying and basic considerations. The first is that staff are employed by the University, and paid a salary by the University. Any External and Consultancy Work carried out by staff must not interfere or be in conflict with the carrying out of these duties. The second is that any External and Consultancy work carried out should be seen as enhancing the reputation of the University.

Best practices from local and international universities are adapted in formulating this policy and procedure.

OBJECTIVES

The objectives of this Policy are to:

- i. Specify the principles governing External and Consultancy Work;
- ii. Explain the common types of External and Consultancy Work;
- iii. Set the time limit to which staff are permitted to undertake External and Consultancy Work;
- iv. Set the limit to which staff can receive payments from undertaking External and Consultancy Work;
- v. Establish a common method for costing and pricing of Consultancy Work; and
- vi. Describe the procedure for applying permission to undertake External and Consultancy Work

GOVERNING PRINCIPLES AND DEFINITIONS

- 1. Whilst employed by the University there is no day or time for which the member of staff does not need to obtain permission to carry out External and Consultancy Work.**

External and consultancy work, carried out after normal working hours, e.g. at weekends, evenings or during leave, still requires permission from the University. This is in line with the General Orders, which is taken from the Public Officers (Conduct and Discipline) Regulations, made under the Public Service Commission Act (Ref: *Bab 5 A – Kelakuan, Penggal B*). **If a member of staff is found to be carrying out External and Consultancy Work without the required permission then this will result in disciplinary proceedings.**

- 2. External and Consultancy Work, refers to any professional service provided by the member of staff for an external organisation.**

Such service would include the provision of professional advice, subject matter expertise, analytical, testing or any service involving the use of University facilities, equipment and staff resources, whether paid or unpaid. Liability for such External and Consultancy Work does not lie with the University, whether in whole or in part.

- 3. There is a limit to the amount of External and Consultancy work that can be carried out by a member of staff.**

The time limit for External and Consultancy Work is 20% of the total working hours in any period of the calendar year (January 01 to December 31). This translates to a maximum of 52 working days or 390 working hours or 2.6 man-month in a year. This annual quota or its remainder thereof is not transferrable from one year to the next.

Any exceptional variation that exceeds this time limit requires the approval of the Vice-Chancellor. A lesser time limit may be approved if the proposed Consultancy Work is deemed to potentially interfere with the discharge of the consulting staff's core duties and responsibilities.

Staff are not allowed to undertake more than one Consultancy Work and a limited number of External Works, at the discretion of the Dean and/or Vice-Chancellor, at any one time. This is to ensure that the staff primary duties are not compromised and the External and Consultancy Work are performed to a high standard.

The member of staff is responsible for declaring the amount of time to be spent on the Work and the dates on which the work will be carried out when applying for permission to carry out the work. The member of staff is also responsible for keeping proper records of the actual amount of time spent on External and Consultancy Work and to make those records available for inspection by the University management on request.

4. Work which is classified as CONSULTANCY work for the purposes of this policy is defined as work carried out by a member of staff, which is part of a contract or agreement between the University and an outside organisation.

Some specific examples are given below, although this list is not exhaustive:

- a) A contract to carry out a research project commissioned and funded by a client such as a government agency or a company, that has direct commercial and/or non-commercial benefit to the client, including owning all new intellectual property generated by the research (*Contract Research*). *Collaborative research projects and research projects that are funded using grants from the University, Research Council or other local and international research funding bodies are not covered by this Policy;*
- b) The provision of services to an outside organisation through the application of existing knowledge and expertise, that do not fall under the staff normal duties. The project is not expected to involve original investigation or generation of new knowledge;
- c) The provision of a training course or learning activity to a targeted group of external participants to meet Lifelong Learning and/or Continuing Professional Development (CPD) objectives, which do not normally lead to the award of University credits. *Teaching of part-time UTB undergraduate and graduate degree programmes are not considered as Consultancy Work and therefore not included in this Policy;*
- d) A contract to teach a tailored programme to an outside organisation;
- e) A contract between the University and another educational institution to provide teaching services at the other institution;
- f) The provision of laboratory testing work or similar to an outside body.

In all the above cases, the agreement is between the client and the University, and payment is made to the University. Staff that are given approval by the University to undertake these consultancy works will normally receive personal payment since it is in addition to their normal duties.

Staff can refer to *Appendix A* for examples of Consultancy Works.

5. Work which is classified as EXTERNAL work and requires notification to the relevant Dean of Faculty and Vice-Chancellor, but does not require formal permission.

This includes duties in which most academic staff in Universities would normally be expected to be involved. The specific cases this applies to are listed below. Following notification of these circumstances to the Dean and Vice-Chancellor, the University reserves the right to require a member of staff to seek formal permission if they believe it is appropriate in this case, notwithstanding the cases listed below.

If a member of staff is in any doubt as to whether or not formal permission is required for an External Work, then they should consult with their Dean in the first instance.

- a) Acting as an External Examiner for a research degree;
- b) Acting as an External Examiner or Moderator for taught programmes at another academic institution;
- c) Being a member of the editorial board for a journal. However, if the role is editor, principal editor, or similar, then full permission must be sought for this role;
- d) Being a member of a committee of a professional institution or learned society. However, if the role is as an officer of any kind such as chairman, secretary, treasurer or executive role, then full permission must be sought for this role;
- e) Being a member of a government committee or similar. However, if the role is as an officer of any kind such as chairman, secretary, treasurer or executive role, then full permission must be sought for this role;
- f) Being an adjunct staff at another academic institution. Full permission must be sought for this role.

Any honorarium received must be officially declared to the Office of the Registrar and Secretary.

Staff can refer to *Appendix A* for examples of External Works.

6. A Consultancy Work must be priced competitively and cover all costs incurred by the University

A Consultancy Work undertaken by staff would normally be conducted during office hours and invariably involves the use of University's premises, facilities, equipment, administrative services and other resources.

Costing

It is important in the preparation of a Consultancy Work budget to account for all the direct and indirect costs to be incurred. It is also vital that all relevant internal stakeholders are consulted in this exercise to ensure that the true demand of the work to the University's resources is fairly and accurately established. In determining the total cost of the work, the following cost items are to be included, where applicable:

- a) Consulting Staff Fees (professional and technical)
- b) Accommodation and daily allowance abroad
- c) Transport
- d) Report and documentation
- e) Laboratory equipment
- f) Specialised software licence
- g) Consumables (including wastage)
- h) Waste disposal (including hazardous waste)
- i) Venue rental
- j) Utilities
- k) Legal
- l) Insurance
- m) Sub-contracts
- n) External resource persons
- o) Other costs as required by the work

The Enterprise Office can assist in costing the work using the standard template.

Pricing

The consultancy price to be quoted to the client should cover the total costs established, with a profit charged for the services provided. In arriving at the consultancy price, a profit margin multiplier should be applied to the Consulting Staff Fee cost item. The multiplier is flexible but should account for the market value of the expertise provided, client's budget, project complexity, duration and impact to the University and society. The Enterprise Office will make a recommendation on the multiplier for consideration and approval by the Vice-Chancellor. Cost items (b) – (o) above are Reimbursable Costs, where no profit margin will be applied.

There may be instances whereby the University will quote a price at or below total costs, such as for specific government projects or in projects where the non-financial benefits to the University are demonstrable and significant. The final decisions on these are the prerogative of the Vice-Chancellor.

This pricing approach is generally applicable to most Consultancy Works. A different methodology may be applied at the discretion of the Vice-Chancellor, for pricing specific Consultancy Works that potentially command a high market value and therefore generate substantial income to the University.

The detailed total cost calculation and pricing are not to be disclosed to the client. Where a breakdown of the price is required by the client, prices should be quoted on a daily (or other time period) all-inclusive rate, wherever possible. If the Consultancy Work involves training a group of participants, quoting the training fee per participant is also acceptable.

7. The University reserves the right to disburse the income generated from Consultancy Work in an objective manner to compensate for the use of University's resources, staff expertise and services.

Income received from a Consultancy Work will first be used to reimburse all the costs incurred by the University. The revenue derived from the Consulting Staff Fees will be disbursed as follows:

- a) 10% to the Consultancy account under *Tabung UTB*;
- b) 30% to the Faculty/School account under *Tabung UTB*, to which the consulting staff belongs. These funds can be used for Faculty/School development purposes, including staff development and in line with *Tabung UTB* Guidelines;
- c) 60% as personal payment to the individual consulting staff.

Personal payment will be based on the consulting staff post, basic monthly salary, verified time spent on the project (in man-month) and approved profit margin.

There is a limit on the amount that a staff can be paid in a year from External and Consultancy Works. The total annual income received by an individual staff from External and Consultancy Work shall not exceed his/her total basic salary for six months in a calendar year. This annual quota or its remainder thereof is not transferrable from one year to the next.

Example:

A Senior Assistant Professor (PT3) with a basic monthly salary of B\$5,900 is allowed to conduct External and Consultancy Works for a maximum of 390 hours in a year and the maximum payment that the staff can receive in a year from such work is B\$35,400.00.

The Vice-Chancellor however, may allow this limit to be exceeded for those consulting staff involved in specific high value Consultancy Works. The higher limit will be determined by negotiation between the University and the consulting staff.

Any surplus income resulting from the application of this limit will be disbursed to the Consultancy account under *Tabung UTB*.

PROCEDURE FOR OBTAINING PERMISSION TO UNDERTAKE EXTERNAL AND CONSULTANCY WORK

There are several ways in which External and Consultancy Work may be initiated, such as:

- The University may receive an official request from potential client to engage the University for a specific consultancy service. The University will assign a suitable member of academic staff as the Principal Consultant to evaluate the request and develop a proposal in consultation with the potential client and other internal stakeholders.
- Academic staff may also initiate a Consultancy Work proposal based on anticipated needs of the industry, businesses, government departments or the community. This normally arises following regular interactions with the external stakeholders.
- Other academic institutions or organisations may request to engage academic staff in activities that fall under the definition of External Work.
- The University may identify a strategic income-generating opportunity that makes use of existing resources and expertise and assign suitable academic staff as Principal Consultant to provide the consultancy service.

The procedure for obtaining permission to undertake External and Consultancy Work is given below. Before submitting the formal application, it is advisable to make initial enquiries with the Dean.

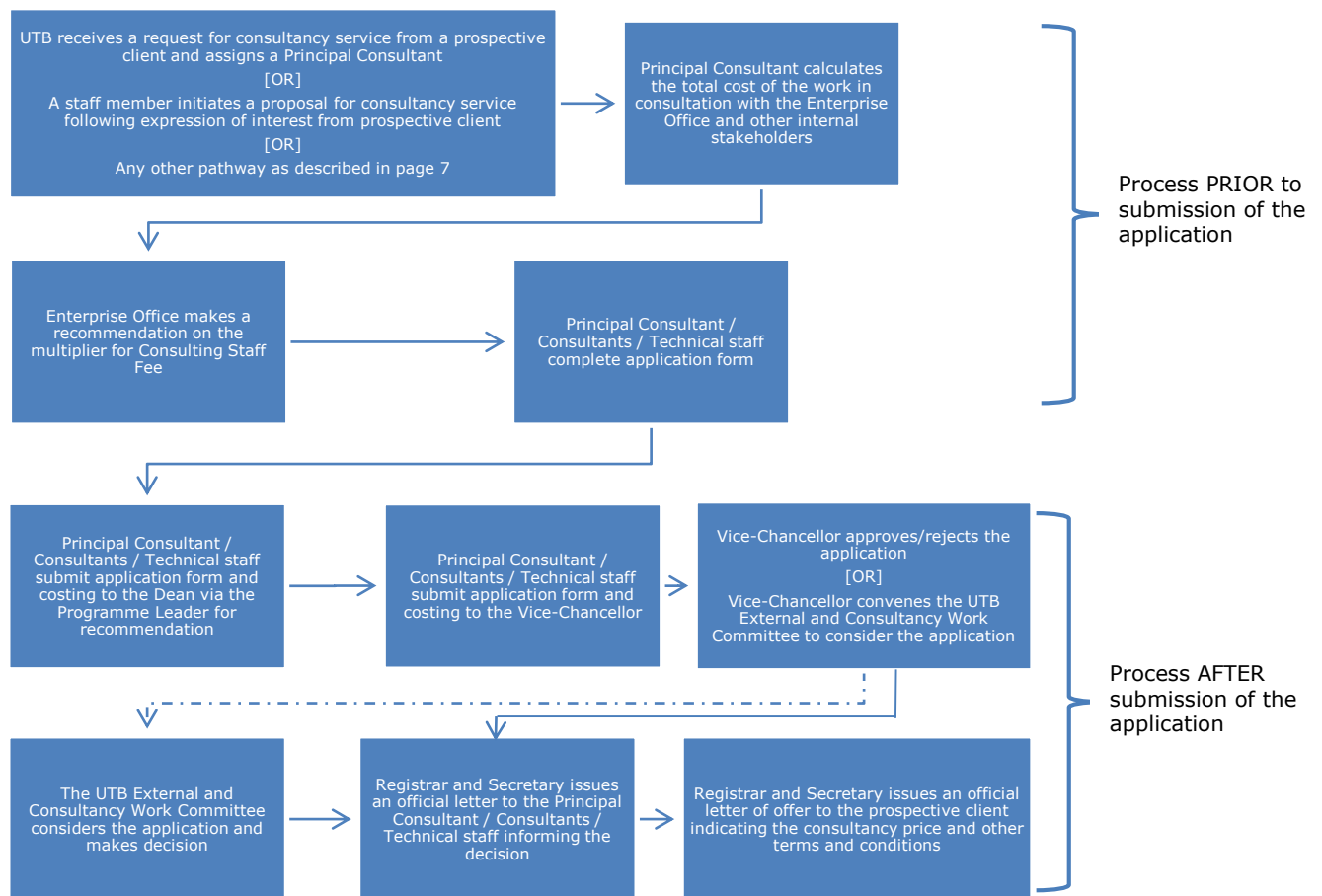
The application must normally be submitted at least **one month** before the work is to take place. Applications submitted later than this will only be considered where it can be shown that the work is of an urgent and important nature.

1. The member of staff concerned completes the Application to Undertake External and Consultancy Work form (**Appendix B**) and the costing template in consultation with the Enterprise Office. The Enterprise Office will also assess the complexity of the work based on established metrics, in order to recommend the multiplier to be used in the costing template.
2. The completed application form and costing template are to be submitted to their Dean, through their Programme Leader.
3. The Programme Leader and Dean sign to say whether or not they support the application. Reasons must be provided where the application is not supported.
4. The application form is then submitted to the Vice-Chancellor and Chair of the UTB External and Consultancy Work Committee for decision and approval of the price to be quoted to the client, allocation of staff and other university resources for the work, client payment schedule and disbursement of revenue from the Consultancy Work.
5. The Vice-Chancellor, may at her discretion, refer an application to the UTB External

and Consultancy Work Committee to be deliberated. In this case, the application will be tabled as an agenda in the UTB External and Consultancy Work Committee meeting. The Committee will make a decision on the viability of the proposed Consultancy work and approve the price to be quoted to the client, allocation of staff and other university resources for the work, client payment schedule and disbursement of revenue from the Consultancy Work.

- The Vice-Chancellor signs the form for approval or non-approval with comments, as appropriate. A formal letter of approval for the work, specifying the work approved, or non-approval is then sent from the Office of the Registrar and Secretary to the applicant. Copies of the letter are also sent to the relevant Assistant Vice-Chancellor, Dean and Programme Leader. The completed and signed application form is also placed in the personal file of the staff member.

A flow chart of the application process is shown below:



The above procedure applies for all Consultancy Works, and those External Works that are deemed by the Dean or the Vice-Chancellor to require formal permission from the University.

SOME GUIDELINES ON EXTERNAL AND CONSULTANCY WORK

Some guidelines are given below to help staff with issues related to external and consultancy work. In any cases of uncertainty, the staff member should consult with their Dean or the relevant Assistant Vice-Chancellor.

- i. Staff are often requested to carry out teaching at other institutions. As mentioned in the Introduction, a guiding principle is that external work is seen to enhance the reputation of the University. Generally, being asked to teach on post-graduate degrees or professional development courses would be acceptable.
- ii. Teaching at the levels of undergraduate and graduate degree programmes are acceptable. Teaching at any other level is acceptable where there is an agreement between the University and external institution concerned. If a member of staff is approached personally to carry out such teaching, they should immediately inform their Dean so that the external institution concerned can be asked to write to the Vice-Chancellor with a formal request for assistance with teaching.

UTB EXTERNAL AND CONSULTANCY WORK COMMITTEE

The membership of the Committee is as follows:

1. Vice-Chancellor – Chair
2. Assistant Vice-Chancellor (Industry & Services) – Deputy Chair
3. Registrar and Secretary – Member
4. Bursar – Member
5. Director of Enterprise Office – Member
6. Deputy Director of Enterprise Office – Secretary

The relevant Assistant Vice-Chancellors (Academic or Research), Dean of Faculty/School may be invited to a meeting of the Committee to provide input to the discussion when required. The Principal Consultant may also be invited to the meeting to defend the Consultancy Work proposal and application.

The Committee's Terms of Reference are as follows:

- a) To formulate, discuss, review, approve and oversee the policies, guidelines and regulations pertaining to External and Consultancy Work;
- b) To ensure financial, legal and contractual management are in place to support Consultancy Work;
- c) To consider and decide on External and Consultancy Work applications based on the University's interests; financial/non-financial merits; viability; and available resources;
- d) To ensure that the Consulting Staff prepare a full economic costing of the proposed Consultancy Work that account for all direct and indirect costs to the University;
- e) To decide the profit margin for the proposed Consultancy Work and subsequently, the offer price to the client and payment schedule;
- f) To ensure that the Consulting Staff identify the key risks to the proposed Consultancy Work and how they will be managed;
- g) To consider and approve the allocation of university resources required by the Consultancy Work;

- h) To consider and approve the remuneration of external resource persons involved in the Consultancy Work;
- i) To consider and approve the distribution of revenue from the Consultancy Work between the University Fund, Faculty/School Fund and the Consulting Staff;
- j) To ensure that any approved Consultancy Work does not compromise the ability of the staff and the University in delivering their core responsibilities and functions in any way;
- k) To review the progress of the approved Consultancy Work and correspondingly, receipt of progress and final payments from the client;
- l) To review the permission given to staff undertaking Consultancy Work in circumstances that are deemed to warrant its possible withdrawal; and
- m) To ensure appropriate records are kept and available for inspection.